



ENVIRONMENTAL PROTECTION AGENCY

[FRL-9542-03-OAR]

Allocations of Cross-State Air Pollution Rule Allowances from New Unit Set-Asides for 2022 Control Periods

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of data availability.

SUMMARY: The Environmental Protection Agency (EPA) is providing notice of the availability of data on emission allowance allocations to certain units under the Cross-State Air Pollution Rule (CSAPR) trading programs. EPA has completed preliminary calculations for the allocations of allowances from the CSAPR new unit set-asides (NUSAs) for the 2022 control periods and has posted spreadsheets containing the calculations on EPA's website. EPA will consider timely objections to the preliminary calculations (including objections concerning the identification of units eligible for allocations) before determining the final amounts of the allocations.

DATES: Objections to the information referenced in this notice must be received on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submit your objections via email to CSAPR@epa.gov. Include "2022 NUSA allocations" in the email subject line and include your name, title, affiliation, address, phone number, and email address in the body of the email.

FOR FURTHER INFORMATION CONTACT: Questions concerning this action should be addressed to Jason Kuhns at (202) 564-3236 or kuhns.jason@epa.gov or Andrew Reighart at (202) 564-0418 or reighart.andrew@epa.gov.

SUPPLEMENTARY INFORMATION: Under each CSAPR trading program where EPA is responsible for determining emission allowance allocations, a portion of each state's emissions budget for the program for each control period is reserved in a NUSA (and in an additional Indian country NUSA in the case of states with Indian country within their borders) for allocation to certain units that would not otherwise receive allowance allocations. The procedures for identifying the eligible units for each control period and for allocating allowances from the NUSAs and Indian country NUSAs to these units are set forth in the CSAPR trading program regulations at 40 CFR 97.411(b) and 97.412 (NO_x Annual), 97.511(b) and 97.512 (NO_x Ozone Season Group 1), 97.611(b) and 97.612 (SO₂ Group 1), 97.711(b) and 97.712 (SO₂ Group 2), 97.811(b) and 97.812 (NO_x Ozone Season Group 2), and 97.1011(b) and 97.1012 (NO_x Ozone Season Group 3). Each NUSA allowance allocation process involves allocations to eligible units, termed "new" units, followed by the allocation to "existing" units of any allowances not allocated to new units.

This notice concerns preliminary calculations for the NUSA allowance allocations for the 2022 control periods. Generally, the allocation procedures call for each eligible "new" unit to receive a 2022 NUSA allocation equal to its 2022 control period emissions as reported under 40 CFR part 75 unless the total of such allocations to all such eligible units would exceed the amount of allowances in the NUSA, in which case the allocations are reduced on a pro-rata basis. (EPA notes that, under 40 CFR 97.406(c)(3), 97.506(c)(3), 97.606(c)(3), 97.706(c)(3), 97.806(c)(3), and 97.1006(c)(3), a unit's emissions occurring before its monitor certification deadline are not considered to have occurred during a control period and consequently are not included in the emission amounts used to determine NUSA allocations.) Any allowances not allocated to eligible "new" units are allocated to the state's "existing" units in proportion to such existing units' previous allocations from the portion of the respective state's emissions budget for the control period that was not reserved in a NUSA (or Indian country NUSA).

The detailed unit-by-unit data and preliminary allowance allocation calculations for “new” units are set forth in Excel spreadsheets titled "CSAPR_NUSA_2022_NOx_Annual_Prelim_Data_New_Units", "CSAPR_NUSA_2022_NOx_OS_Prelim_Data_New_Units", and "CSAPR_NUSA_2022_SO2_Prelim_Data_New_Units", available on EPA’s website at <https://www.epa.gov/csapr/csapr-allowance-allocations#nusa>. Each of the spreadsheets contains a separate worksheet for each state covered by that program showing, for each unit identified as eligible for a NUSA allocation, (1) the unit's emissions in the 2022 control period (annual or ozone season as applicable), (2) the maximum 2022 NUSA allowance allocation for which the unit is eligible (typically the unit's emissions in the 2022 control period), (3) various adjustments to the unit's maximum allocation if the NUSA pool is oversubscribed, and (4) the preliminary calculation of the unit's 2022 NUSA allowance allocation.

Each state worksheet for “new” units also contains a summary showing (1) the quantity of allowances initially available in that state's 2022 NUSA, (2) the sum of the 2022 NUSA allowance allocations that will be made to new units in that state, assuming there are no corrections to the data, and (3) the quantity of allowances that would remain in the 2022 NUSA for allocation to existing units, again assuming there are no corrections to the data.

The preliminary calculations of allocations of the remaining unallocated allowances to “existing” units are set forth in Excel spreadsheets titled "CSAPR_NUSA_2022_NOx_Annual_Prelim_Data_Existing_Units", "CSAPR_NUSA_2022_NOx_OS_Prelim_Data_Existing_Units", and "CSAPR_NUSA_2022_SO2_Prelim_Data_Existing_Units", available at the same location.

Objections should be strictly limited to the data and calculations upon which the NUSA allowance allocations are based and should be emailed to the address identified in **ADDRESSES**. Objections must include: (1) precise identification of the specific data and/or

calculations the commenter believes are inaccurate, (2) new proposed data and/or calculations upon which the commenter believes EPA should rely instead to determine allowance allocations, and (3) the reasons why EPA should rely on the commenter's proposed data and/or calculations and not the data referenced in this notice.

EPA notes that an allocation or lack of allocation of allowances to a given unit does not constitute a determination that CSAPR does or does not apply to the unit. EPA also notes that, under 40 CFR 97.411(c), 97.511(c), 97.611(c), 97.711(c), 97.811(c), and 97.1011(c), allocations are subject to potential correction if a unit to which allowances have been allocated for a given control period is not actually an affected unit as of the start of that control period.

(**Authority:** 40 CFR 97.411(b), 97.511(b), 97.611(b), 97.711(b), 97.811(b), and 97.1011(b).)

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